

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF ELIHU-RUSH BRANCH)
WATER ASSOCIATION FOR AN ADJUSTMENT) CASE NO. 10081
OF RATES PURSUANT TO THE ALTERNATIVE)
PROCEDURE FOR SMALL UTILITIES)

O R D E R

On November 9, 1987, Elihu-Rush Branch Water Association ("Elihu") filed its application seeking to increase its rates pursuant to the Alternative Rate Filing Procedure for Small Utilities.

Neither Elihu nor the Commission sought a hearing in this matter. There were no intervenors and all requested information has been filed.

On October 7, October 14, and November 2, 1987, the Commission staff conducted a field review while providing assistance to Elihu in the preparation of its application. The staff issued its report on their review and recommendations on December 15, 1987. On January 4, 1988, Elihu filed its response to the Staff Report stating that it accepted the staff's finding and recommendations. After careful review and investigation of the staff's recommendations, the Commission is of the opinion that Elihu will have adequate cash flow to meet its obligations and provide for future equity growth. Therefore, the Commission affirms the staff's recommended increase of \$45,506.

FINDINGS AND ORDERS

1. The rates and charges in Appendix A are fair, just, and reasonable rates and charges to be charged by Elihu in that they should produce annual revenues of \$169,003.

2. Within 30 days of the date of this Order, Elihu should file with this Commission its revised tariff sheets setting out the rates approved herein.

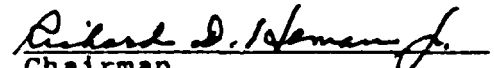
IT IS THEREFORE ORDERED that:

1. The rates and charges in Appendix A are the fair, just and reasonable rates and charges to be charged by Elihu for service rendered on and after the date of this Order.

2. Within 30 days of the date of this Order, Elihu shall file with this Commission its revised tariff sheets setting out the rates approved herein.

Done at Frankfort, Kentucky, this 21st day of January, 1988.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 10081 DATED 1/21/88

The following rates and charges are prescribed for the customers in the area served by Elihu-Rush Branch Water Association. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

RATES: Monthly

First 2,000 gallons	\$12.30 Minimum Bill
Next 3,000 gallons	3.05 per 1,000 gallons
Next 5,000 gallons	2.25 per 1,000 gallons
Over 10,000 gallons	1.90 per 1,000 gallons